# *MOOSECALLS*

Global Financial News & Analysis
MAR.20.2026 through MAR.29.2026

# EXECUTIVE SUMMARY: MAR.20.2026

This weekly global investment newsletter tracks investment strategy performance, including buy-and-hold and market timing using ETFs as proxies for indices.

## GLOBAL MARKETS: WEEK'S ACTION—Risk OFF (3)

**THIS WEEK a 3rd Risk-OFF week in a row saw US Stocks DOWN, Foreign Stocks DOWN, US Bonds DOWN and Gold DOWN.**

## Gold Finally Folds

A third week of war in the Middle East created a third risk-off week in the financial world. Once again, commodities (+2.2%) and oil (+5.6%) led things higher, stoking inflation fears, raising interest rates and sending equities and income into the toilette. Additionally, a mid-week Fed meeting gave chairman Powell an opportunity to make things worse, which he did, routing gold (-10.3%) the only semi-respectable asset left on the board. (See Moospeak.) Europe (-3.2%), Japan (-2.6%), Asia-Pacific (-1.9%), and Latin America (-1.7%) continued the negative tone among equities. US large-caps (-2.1%) and small-caps (-1.8%) also extended previous losses. US long Treasury bonds (-0.9%) slowed their recent retreat, but the 10-year yield jumped from 3.96% to 4.39% and the cash yield bumped up to 3.62%) as the Straits of Hormuz south of Iran, continued to constrict the supply of oil coming out of the region. That kept crude oil prices close to $100 a barrel and pressured commodity prices, even as the Dollar dipped (-0.2%). One model change this week.

**GLOBAL OUTLOOK TURNS "POSITIVE" (3 of 4).** The Baltic Dry Index is down over the quarter, a negative, due to war, while 10-year US yields, and copper and oil prices are all higher in the past quarter— positive indications for the global economy.

**INFLATION**: February producer prices heat up.

**US ECONOMIC DATA: Mixed.** Jobless Claims Down, New Home Sales Down, but Pending Sales Up

**FEDERAL RESERVE:** The Fed's balance sheet stands at $6.66 trillion, with the Fed Funds Rate at 3.50-3.75%.
Next Fed meeting (4/29). Kevin Warsh to replace Jerome Powell in May. Rate cut now not likely (67%) until December. Fed Check remains hawkish as of 1/30/2026 (market price of hard assets going up faster than the market price of paper promises.) No rate hike is expected per CME futures, however.

**INVESTMENT STRATEGIES**: The Index Model exits gold (GLD) this week joining the other models in cash after equities and bullion triggered stop-losses after the Iran/US war began.

# GLOBAL OUTLOOK: POSITIVE (3 of 4)

Indications remain positive for the global economy.

An international shipping measure and proxy for current global trade, **the Baltic Dry Index rose to 2056 this week, and is up after 13 weeks, a positive signal.** (After opening 2026 at 1882, BDI is still well below its 2010 peak @4640.) Meanwhile, another proxy for world activity, **WTI oil price dipped to 98.23 this week, but is up 73% in the latest quarter, a positive** economic signal. (Oil remains below its 2022 peak @$130, but well above its 2020 Covid lows @$10.) Our proxy for global construction, **copper ($5.37) is down week, and remains 2% lower this quarter, a negative** signal. Domestically, **10Y US bond yields rose to 4.39% this week and are up 24 bps over the past 13 weeks, a positive** bet on the largest world economy.

# GLOBAL RANKING: GLD Oversold into Cash

Index Moose ETF Rankings through MAR.29.2026

**THIS WEEK a 3rd Risk-OFF week in a row saw US Stocks DOWN, Foreign Stocks DOWN, US Bonds DOWN and Gold DOWN.**

**Gold leads in regional global momentum since 11/27/2025, but the Global Index Model SWITCHED into cash via stop-loss 3/18/26.)**

**Gold leads in overall confidence, technical strength, and in PMO, but performance-wise, it only leads over 26 and 52 weeks, and over three-years. It is down about 15% over the last three weeks. If you are still in, GLD is oversold and due for a bounce.**

**The best alternative is cash. All other assets in the model are working off stop-losses, including #2 Latin America (ILF). Several index assets are oversold or close to it.** *Assets are ranked by CI, the "confidence index". It combines the relative strength (rank), and technical strength (TS). The Trend is based on the TS reading. * triggered stop-loss*

| | CI% | FUND | TS+ | READ | RSI | PMO | condition |
|---|---|---|---|---|---|---|---|
| **1** | **100%** | **Gold Bullion (GLD)** | **76%** | **bullish** | **29.8** | **0.50** | **deteriorating** |
| 2 | 86% | Latin America (ILF) | 69% | bullish | 36.9 | -0.24 | deteriorating |
| 3 | 51% | Japan (EWJ) | 61% | bullish | 32.0 | -0.73 | deteriorating |
| 4 | 40% | Asia Pacific ex-Japan (AAXJ) | 65% | bullish | 37.0 | -0.21 | deteriorating |
| 5 | 27% | US Small-caps (IWM) | 45% | neutral | 33.0 | -1.32 | deteriorating |
| 6 | 23% | Europe (IEV) | 43% | neutral | 27.0 | -1.41 | deteriorating |
| 7 | 12% | US Large-caps (SPY) | 35% | bearish | 29.7 | -0.97 | deteriorating |
| 8 | 5% | Very Long US Bonds (EDV) | 33% | bearish | 36.6 | -0.39 | deteriorating |
| 9 | 4% | Short US Income (SGOV) | 88% | very bullish | 88.5 | 0.10 | improving |
| | CI% | FUND | TS+ | READ | RSI | PMO | +/- |
| | | US Dollar | 75% | bullish | 59.3 | positive | improving |
| | | Commodities | 126% | very bullish | 72.6 | positive | improving |
| | | US Oil | 166% | very bullish | 74.6 | positive | improving |
| | | Ryan/CRB | 84% | HIKE RATES | | | |
| | | Volatility | 26.8 | caution | | | |

| YTD | FUND | 03/20 | 03/13 | 13wk | 26wk | 39wk | 52wk | 3Y |
|---|---|---|---|---|---|---|---|---|
| **7.0%** | **Latin America (ILF)** | -1.7% | -2.0% | 7.7% | 18.6% | 35.1% | 45.8% | 33.6% |
| 4.3% | Gold Bullion (GLD) | -10.3% | -2.7% | 4.4% | 20.4% | 33.2% | 48.4% | 106.3% |
| 2.8% | Asia Pacific ex-Japan (AAXJ) | -1.9% | -0.5% | 7.1% | 8.0% | 22.9% | 31.1% | 49.4% |
| 0.6% | Japan (EWJ) | -2.6% | -1.7% | 3.1% | 8.7% | 21.3% | 25.6% | 32.8% |
| 0.2% | Short US Income (SGOV) | +0.1% | 0.1% | 0.6% | 1.5% | 2.7% | 3.8% | 9.1% |
| -1.3% | Very Long US Bonds (EDV) | -0.9% | -3.3% | -1.3% | -4.4% | -0.9% | -8.4% | -13.0% |
| -1.6% | US Small-caps (IWM) | -1.8% | -1.7% | -3.5% | 0.6% | 16.0% | 19.7% | 22.4% |
| -4.9% | US Large-caps (SPY) | -2.1% | -1.5% | -4.2% | -1.3% | 9.9% | 16.5% | 29.7% |
| -5.0% | Europe (IEV) | -3.2% | -2.3% | -2.8% | 3.2% | 8.5% | 14.4% | 27.2% |

Global Economy through MAR.29.2026

# GLOBAL RANKING: TECHNICAL OVERVIEW

**#1 GOLD Fed's Latest Victim—**
GLD corrected 10.3% this week, after losing 2.7% last week. It remains bullish and ranked 1 globally intermediate term, but the global model triggered a stop-loss into cash 3/18. The index is up 4.4% for the quarter (13 weeks), and up 48.4% for the year (52 weeks).

**#2 LATIN AMERICA Cascades Lower—**
ILF fell 1.7% this week, after losing 2.0% last week. That left it bullish and ranked 2 globally and more attractive than cash. The index is up 7.7% for the quarter (13 weeks), and up 45.8% for the year (52 weeks).

**#3 JAPAN Sinks Lower—**
EWJ fell 2.6% this week, after losing 1.7% last week. That left it bullish and ranked 3 globally and more attractive than cash. The index is up 3.1% for the quarter (13 weeks), and up 25.6% for the year (52 weeks).

**#4 ASIA-PACIFIC Closes Week At New Stop-Loss—**
AAXJ fell 1.9% this week, after losing 0.5% last week. That left it bullish and ranked 4 globally and more attractive than cash. The index is up 7.1% for the quarter (13 weeks), and up 31.1% for the year (52 weeks).

**#5 US SMALL-CAPS Test 200-day—**
IWM fell 1.8% this week, after losing 1.7% last week. That left it neutral and ranked 5 globally and more attractive than cash. The index is down 3.5% for the quarter (13 weeks), but up 19.7% for the year (52 weeks).

**#6 EUROPE Oversold Breaks Down—**
IEV fell 3.2% this week, after losing 2.3% last week. That left it neutral and ranked 6 globally and more attractive than cash. The index is down 2.8% for the quarter (13 weeks), but up 14.4% for the year (52 weeks).

**#7 US LARGE-CAPS Test 200-day Trend—**
SPY fell 2.1% this week, after losing 1.5% last week. That left it bearish and ranked 7 globally and more attractive than cash. The index is down 4.2% for the quarter (13 weeks), but up 16.5% for the year (52 weeks).

**#8 LONG BONDS Gap Down, Hold at 200-day--**
EDV fell 0.9% this week, after losing 3.3% last week. That left it bearish and ranked #8 globally and more attractive than cash. Long bonds are down 1.3% for the quarter (13 weeks) and down 8.4% for the year (52 weeks) as yields have risen.

**#9 CASH Three-month T-bill Yield Up—**
SGOV rose 0.1% this week, after gaining 0.1% last week. The 3-month Treasury yield rose to 3.62%. That left cash ranked 9 globally. The index is up 0.6% for the quarter (13 weeks), and up 3.8% for the year (52 weeks).

**COMMODITIES and OIL Overbought—**
A very bullish CRB rose 2.2% this week after gaining 2.6% last week. That left commodity prices up 25.1% for the quarter (13 weeks), and up 30.3% for the year (52 weeks). At $28.94 the CRB is above its short-term (50-day) average and above its intermediate-term (200-day) average at 122.

**US DOLLAR Eases As Oil Prices Stabilize--** UUP fell 0.2% this week, after gaining 1.0% last week. It is currently bullish—down 1.8% for the quarter (13 weeks), and down 2.3% in the last year (52 weeks). At $27.68, UUP is above its short-term (50-day) average and above its intermediate-term (200-day) average.

## *US ECONOMY: GOV'T DATA*

## Jobless Claims Down, New Home Sales Down, but Pending Up

US Economy:
week of
MAR.20.2026

**THIS WEEK: MIXED**

**THE GOOD**: WEEKLY I**nitial Claims** (205K) below consensus and prior. WEEKLY **EIA Crude Oil Inventories** (+6.16M) build doubles on higher prices. MAR **Philadelphia Fed Index** (+18.1) better than consensus and prior. MAR **NAHB Housing Market Index** (38) beat previous. FEB **Capacity Utilization** (76.3%) beat consensus and prior. FEB **Pending Home Sales** (+1.8%) unexpectedly positive, beat consensus and previous. JAN **Factory Orders** (+0.1%) positive, up from last month. JAN **Wholesale Inventories** (-0.5%) sizeable and unexpected draw.

**THE BAD**: MAR **FOMC Decision** no change in current policy, but bearish comments regarding future policy. WEEKLY **Continuing Claims** (1857K) UP from prior. MAR **Empire State Manufacturing** (-0.2) unexpectedly negative, below consensus and previous. FEB **Industrial Production** (+0.2%) below consensus and prior. JAN **Leading Economic Index** (-0.1%) remains negative though slightly improved. JAN **New Home Sales** (587K) below consensus and prior.

**THE UGLY:** Nothing.

## *US ECONOMY: INFLATION DATA*

## PPI Prices Heat Up With Crude

US Inflation:
week of
MAR.20.2026

JAN CPI (+0.2%) in line m-t-m. (1-yr = 2.4%)
JAN Core CPI (+0.3%) warm m-t-m. (1-yr = 2.5%)
JAN PPI (+0.5%) hotter than previous and consensus. 1yr = 2.9%
**FEB PPI (+0.7%) hot due to oil. (1yr = 3.4%.)**
**FEB Core PPI (+0.5%) down from prior but still hot. (1yr = 3.9%.)**
JAN Import Prices (+0.2%) cool m-t-m. in line with prior. (1-yr = -0.1% cool)
JAN Export Prices (+0.6%) hot m-t-m in line with prior. (1-yr = 2.6% cooler)
JAN PCE Prices (+0.3%) in line (1yr 2.8% warmer)
JAN PCE Prices – Core (+0.4%) in line. (1yr 3.1% warmer)
Q4 GDP - Second Estimate (0.7%) revised lower. Below prior and expectations.
Q4 GDP Deflator - Second Estimate (+3.8%) hotter than consensus and prior.
Q4 Employment Cost Index (+0.7%) slightly cooler than Q3.
Q4 Productivity-Prel (+2.8%) below consensus and prior.
Q4 Unit Labor Costs-Prel (+2.8%) up unexpectedly from previous.
Q3 **Current Account Balance** (-$226.4B) deficit below previous and expectations.

## *US ECONOMY: RECESSION & GDP INDICATORS*

## NY FED: MINIMAL RECESSION THREAT RECEDES AGAIN

**US recession chances one year out: 18.78% (JAN 2027) per NY Fed.** (Recession expected if chance > 30%.) As of May 2025, the Fed model's chance of recession fell below 30%, the threshold signaling a recession one year out. It remains there. The risk of recession was the highest in 40 years in May 2024, but it was avoided amid three years of massive Federal deficit spending and historic data falsification at the Bureau of Labor Statistics.

## ATLANTA FED: US Q1 GDP NOW at 2.3%

**Atlanta Fed Current GDP Model (3/19/2026): Q1 Annualized 2.3% (Last week: Q1 Annualized +2.7%)**

*US ECONOMY: FEDERAL RESERVE*
# FED BALANCE SHEET ($6.66T); FFR @ (3.50-3.75%)

Federal Reserve:
week of
MAR.20.2026

After over-tightening, in Q1 2020 the Fed took its fed funds rate to zero with two Covid emergency rate cuts, where it remained until March 2022. Simultaneously, the Fed doubled its balance sheet to $9 trillion in monetary stimulus (QE), exceeding measures taken during the global financial crisis in 2008, including commercial paper funding as well as unlimited purchases of treasuries, mortgages, municipals, and junk bonds.

The Fed plan was to roll 95 billion per month in maturing bonds off its 8.965T balance sheet beginning 6/1/22. It had succeeded in reducing it to 8.34T by mid-March 2023, when the bank crisis required an expansion (back to 8.73T). After about two and a half years, the Fed announced it will end quantitative tightening and stop reducing its balance sheet as of December 1, 2025.

Currently, the Fed's balance sheet is 6.66T, (up.01T) in the latest week (3/18/2025). The Fed Funds Rate was lowered 25 BPS to 3.50-3.75% at the DEC10 FOMC meeting. No change at the January or March FOMC meeting.

The next FOMC meeting is April 29. Jerome Powell will exit as Fed chair in May. Kevin Warsh has been tapped to replace him. Warsh seems inclined to reduce the Fed balance sheet and be more hawkish. Meanwhile, futures make a 2026 rate cut unlikely until Chairman Powell is gone. With recent Iranian oil price spike, odds of a likely rate cut have been pushed back from June to December (67%) per CME futures. The Fed chairman highlighted this at the March meeting sending gold lower.

The Fed Check at 91% turned hawkish as of 1/30/2026 (tighter monetary policy needed to combat global inflation pressures.) The US 2-Year yield at 3.92%, however, is now 30 bps HIGHER than the Fed overnight rate (3.625%), implying US domestic conditions make another Fed rate cut increasingly questionable.

The 3m-10y yield curve steepened this week, at a positive slope of 77 bps, as the 10-year US Treasury yield rose to 4.39%, and the 3-month cash yield rose to 3.62%. Intermediate term, the curve was inverted from 11/22 through 12/24 but has been positive since. The 30d-10y median yield is below its 200-day and still falling, leaving our interest rate signal for stocks bearish.

**3-month SOFR yield** at 3.62% is down this week, while the 3-month T-bill at 3.62% is up. That puts the SOFR/T-Bill (SOF-T) spread at 0 basis points, below its 200-day average of 20 bps. **A falling SOF-T spread signals a safer, more confident financial system.**

**FED OVERALL THIS WEEK: NEUTRAL (0) LW: NEUTRAL (0)**
**LATEST Rate Posture: (No Change) NEUTRAL (0)**
**LATEST Balance Sheet (down .01T) NEUTRAL, (0),**
**Fed Speak NEUTRAL (0),**
**Fed Check HAWKISH (-1)**

**Latest FOMC Assessment (2026.3.18)** Available indicators suggest that economic activity has been expanding at a solid pace. Job gains have remained low, and the unemployment rate has been little changed in recent months. Inflation remains somewhat elevated. The Committee seeks to achieve maximum employment and inflation at the rate of 2 percent over the longer run. Uncertainty about the economic outlook remains elevated. The implications of developments in the Middle East for the U.S. economy are uncertain. The Committee is attentive to the risks to both sides of its dual mandate. In support of its goals, the Committee decided to maintain the target range for the federal funds rate at 3-1/2 to 3-3/4 percent. In considering the extent and timing of additional adjustments to the target range for the federal funds rate, the Committee will carefully assess incoming data, the evolving outlook, and the balance of risks. The Committee is strongly committed to supporting maximum employment and returning inflation to its 2 percent objective. In assessing the appropriate stance of monetary policy, the Committee will continue to monitor the implications of incoming information for the economic outlook. The Committee would be prepared to adjust the stance of monetary policy as appropriate if risks emerge that could impede the attainment of the Committee's goals. The Committee's assessments will consider a wide range of information, including readings on labor market conditions, inflation pressures and inflation expectations, and financial and international developments. **(Next FOMC meeting: 2026.4.29)**

*US Currency Market:*
## US DOLLAR Eases As Oil Prices Stabilize


**US Dollar**: UUP fell 0.2% this week, after gaining 1.0% last week. It is currently bullish—down 1.8% for the quarter (13 weeks), and down 2.3% in the last year (52 weeks). At $27.68, UUP is above its short-term (50-day) average and above its intermediate-term (200-day) average. Momentum in the greenback is positive but improving. RSI14 @ 59.3 is neither overbought nor oversold. As for other major currencies vs the Dollar, the Australian $ (FXA) is very bullish, and down 0.4% this week. The British Pound (FXB) is bearish, and down 1.2%. The Canadian Dollar (FXC) is bullish, and down 1.0%. The Euro Dollar (FXE) is bearish, and down 1.6%. The Swiss Franc (FXF) is neutral, and down 1.8%, and the Japanese Yen (FXY) is very bearish and down 1.1%.

The Dollar interrupted a six-week advance this week as oil prices backed off the $100 mark. US tariffs remain a positive for the Dollar despite the recent Supreme Court ruling. So is war which traditionally makes the Dollar a safe haven. By threatening the straits of Hormuz, Iran has limited supply and spiked the price of oil. Pricier oil begets more demand for Dollars. As the straits reopen oil prices will revert to more normal and lower levels, and the demand for Dollars will fall.

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## Carry-trade This Week

Moose guidance is based on US Dollar denominated ETF proxies. Investors seeking to maximize profits when investing in offshore securities may wish to incorporate a "carry-trade" currency strategy into the decision, (Basically, if a foreign currency is weakening (bearish) against the Dollar, using a Dollar-denominated ETF to invest in that country's assets will outperform using a hedged vehicle. If, however, the foreign currency is bullish vs. the Dollar, the Dollar-denominated investment will underperform. In the event of a weak Dollar there may be currency-hedged foreign equity ETFs available at least for Europe (HEDJ) and Japan (DXJ) that will outperform.

| **Description** | **READ** | US $ investors in Foreign Assets |
|---|---|---|
| Australian $ (FXA) | very bullish | US$ Investors underperform hedged |
| British Pound (FXB) | bearish | US$ Investors outperform hedged |
| Canadian Dollar (FXC) | bullish | US$ Investors underperform hedged |
| Euro Dollar (FXE) | bearish | US$ investors outperform hedged (IEV>HEDJ) |
| Swiss Franc (FXF) | neutral | US$ investors match hedged |
| Japanese Yen (FXY) | very bearish | US$ investors underperform hedged (EWJ<DXJ) |
| US Dollar | bullish | |

# US Bond Market:
# #8 LONG BONDS Gap Down, Hold at 200-day

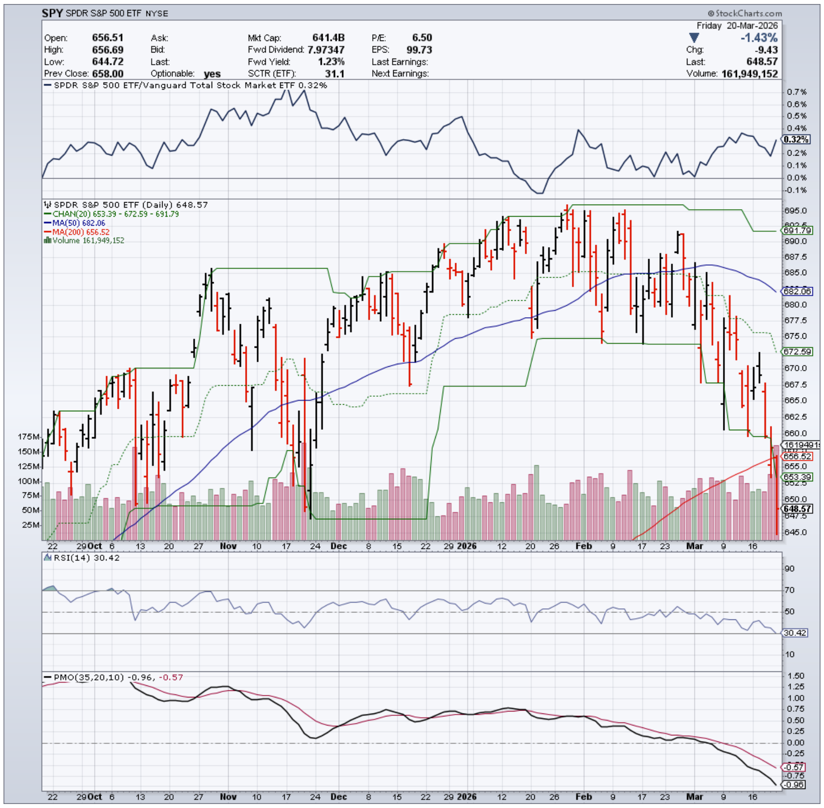

**US Long Treasury Bonds**: EDV fell 0.9% this week, after losing 3.3% last week. That left it bearish and ranked #8 globally and more attractive than cash. Long bonds are down 1.3% for the quarter (13 weeks) and down 8.4% for the year (52 weeks) as yields have risen. The US Treasury 10-year yield rose 43 ticks to 4.39 and the 3-month yield rose 5, to 3.62 with the yield curve steepening to 77 basis points. That reduces the odds of a recession in late 2026. At $64.19, EDV is below its short-term (50-day) average and above its intermediate-term (200-day) average. Momentum (PMO) is negative and deteriorating, and its 14-day RSI of 36.6 means EDV is neither overbought nor oversold. As for currency effects a cheaper Dollar this week makes Dollar-denominated assets less attractive Over time, a bullish Dollar improves return to Dollar investors in US assets.

Bond prices headed lower for a third week as oil prices continued to hover in the $100 region, reflecting inflation fears from the US/Iran war. This week's hot PPI data exacerbated the concern. Inflation fears arose despite a surprise 92K contraction in February jobs after tech experts announced that AI productivity enhancements could eliminate most entry-level white-collar jobs within two to three years. Recent oil inflation, coupled with lousy 4th quarter GDP, hot December PCE inflation and hot core PPI are suggesting a more hawkish Fed that could end up getting blind-sided by weaker jobs. That has put once certain odds of a 2026 rate cut into question, according to Fed chair Powell at this week's FOMC meeting. Clearly, government data has been slow to lend definitive clarity since the first Federal shutdown. Now we have a second shut down. Oil price inflation should be less permanent than AI induced joblessness. With luck the Fed will focus accordingly.

**ETF Breakdown: EDV--** A market value-weighted index of high-duration, zero-coupon 25-year US Treasury securities. **Countries:** US (100%). **Top Sectors:** Government (93%), Cash (4%), ETFs (2%), Energy minerals (1%).

*(Charts reprinted with permission from stockcharts.com.)*

# *US Equity Market:*
# #7 US LARGE-CAPS Test 200-day Trend




**US Large-Cap Stocks:** SPY fell 2.1% this week, after losing 1.5% last week. That left it bearish and ranked 7 globally and more attractive than cash. The index is down 4.2% for the quarter (13 weeks), but up 16.5% for the year (52 weeks). At $648.57, SPY is below its short-term (50-day) average and above its intermediate-term (200-day) average. Its momentum (PMO) is negative and deteriorating, and its 14-day RSI of 29.7 means SPY is oversold. As for currency effects, a cheaper Dollar this week makes Dollar-denominated assets less attractive. Over time, a bullish Dollar improves return to Dollar investors in US assets.

War with Iran caused SPY to trigger multiple 20-day stop-losses over the past three weeks. SPY closed below its 200-day this week breaking down as the week closed. PMO is negative but RSI is on the verge of oversold. Our US Equity Strategy model retreated from SPYD into cash last week, awaiting confirmation that the strait of Hormuz is cleared. Absent the threat to oil, the general backdrop is positive. There is uncertainty about the impact of AI on job growth, and uncertainty over the future (revised) US tariff regime, but the larger issues of taxation, fiscal spending, and the debt ceiling are settled, and the new tax regime is kicking in now. The Federal deficit remains outsized, although tariffs are reducing it slightly. All of that is bullish. On the bearish side, self-inflicted taxes on imports have kept US stocks from going through the roof.

**ETF Breakdown: EDV--** A market value-weighted index of high-duration, zero-coupon 25-year US Treasury securities. **Countries:** US (100%). **Top Sectors:** Government (93%), Cash (4%), ETFs (2%), Energy minerals (1%).

*(Charts reprinted with permission from stockcharts.com.)*

# *US Equity Market:*
# #5 US SMALL-CAPS Test 200-day


**US Small-Cap Stocks:** IWM fell 1.8% this week, after losing 1.7% last week. That left it neutral and ranked 5 globally and more attractive than cash. The index is down 3.5% for the quarter (13 weeks), but up 19.7% for the year (52 weeks). At $242.22, SPY is below its short-term (50-day) average and above its intermediate-term (200-day) average. Its momentum (PMO) is negative and deteriorating, and its 14-day RSI of 33.0 means SPY is neither overbought nor oversold. As for currency effects, a cheaper Dollar this week makes Dollar-denominated assets less attractive. Over time, a bullish Dollar improves return to Dollar investors in US assets.

War with Iran caused IWM to trigger multiple 20-day stop-losses over the past three weeks. IWM ended just above its 200-day this week testing intermediate support as the week closed. PMO is negative but RSI is on the verge of oversold. The retreat continued this week as Iran's asymmetric threat persisted around the Strait of Hormuz. Domestically, there are concerns about the impact of AI on US job growth, and uncertainty over the future (revised) US tariff regime, but generally the backdrop is positive. The larger issues of taxation, fiscal spending, and the debt ceiling are settled, and the new tax regime is kicking in now. The Federal deficit remains outsized, although tariffs are reducing it slightly. All of that is bullish. On the bearish side, self-inflicted taxes on imports have kept US stocks from going through the roof, helping emerging markets. Apart from bonds, most equity asset classes remain bullish.

**ETF Breakdown: IWM--** A cap-weighted index fund. **Countries:** US (99%). **Top Sectors:** Finance (22%), Health Technology (12%), Technology Services (12%), Producer manufacturing (8%), Electronic Technology (7%), Industrial Services (4%), Energy Minerals (4%), Commercial services (4%), Consumer services (3%), Process industries (3%).

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## *US Equity Market Top Sectors:*
## Gold Miners, Oil Equip & Serv, Semiconductors, Pharma, Biotech,

The table below ranks 25 primary US sector ETFs in order of relative momentum this week. Momentum investors may consider those ranked higher than cash bullish (**buy** or **hold**), and those ranked below cash bearish (**sell or avoid**). Value investors may feel the opposite. **This week's** US equity sector momentum is positive; breath is broad and steady-- 81% of our sectors are buy or hold (L82%) with **BUYS** now 48% (L52%) and HOLDS now 33% (L30%). Potential momentum "Buys" include Gold Miners, Oil Equipment & Services, Semiconductors, Pharma, Biotech. **AVOIDS** are currently 19% (L18%) including Medical Devices, Capital Markets, Internet, Bitcoin, Software. NOTE: GDX down 20% in 2 weeks.

| CI% | Description | ROC | TS | READ | RSI | PMO | +/- | Condition |
|---|---|---|---|---|---|---|---|---|
| 100% | Gold Miners (GDX) | 56% | 53% | neutral | **26.2** | -1.85 | negative | deteriorating |
| 59% | US Oil Equip & Serv (IEZ) | 55% | 111% | very bullish | 53.9 | 2.66 | positive | deteriorating |
| 39% | Semiconductors (SMH) | 34% | 73% | bullish | 42.6 | 0.11 | positive | deteriorating |
| 33% | Oil/Gas Expl & Prod (XOP) | 38% | 124% | very bullish | **79.1** | 6.10 | positive | improving |
| 33% | US Pharmaceuticals (IHE) | 27% | 65% | bullish | **29.5** | -0.47 | negative | deteriorating |
| 28% | Biotechnology (IBB) | 22% | 43% | neutral | 34.3 | -1.08 | negative | deteriorating |
| 22% | US Aerospace & Def (PPA) | 16% | 68% | bullish | 36.4 | 0.43 | positive | deteriorating |
| 13% | Select Materials (XLB) | 9% | 67% | bullish | **24.5** | -0.61 | negative | deteriorating |
| 12% | Industrials (XLI) | 8% | 62% | bullish | 31.4 | -0.24 | negative | deteriorating |
| 11% | Utilities (XLU) | 7% | 91% | very bullish | 36.8 | 1.45 | positive | deteriorating |
| 10% | Transports (IYT) | 7% | 43% | neutral | 33.3 | -1.46 | negative | deteriorating |
| 9% | Telecommunications (FCOM) | 5% | 42% | neutral | 31.9 | -0.83 | negative | deteriorating |
| 8% | Media Portfolio (XLC) | 5% | 46% | neutral | 31.5 | -0.49 | negative | deteriorating |
| **6%** | **S&P 500 (SPY)** | **4%** | **35%** | **bearish** | **29.7** | **-0.97** | **negative** | **deteriorating** |
| 6% | Consumer Staples (XLP) | 2% | 73% | bullish | **29.1** | -0.14 | negative | deteriorating |
| 4% | US Technology (IYW) | 2% | 30% | bearish | 38.2 | -1.08 | negative | deteriorating |
| 4% | US Health Providers (IHF) | 3% | 0% | very bearish | **28.1** | -2.12 | negative | deteriorating |
| 4% | KB Banks (KBE) | 3% | 32% | bearish | 32.2 | -2.40 | negative | deteriorating |
| 3% | KBW Insurance (IAK) | -1% | 18% | very bearish | **29.3** | -1.02 | negative | deteriorating |
| 3% | REITs (VNQ) | 1% | 72% | bullish | **28.7** | 0.04 | positive | deteriorating |
| 1% | Food & Beverage (PBJ) | 0% | 86% | very bullish | 32.1 | 0.28 | positive | deteriorating |
| 0% | Home Construction (XHB) | -8% | 22% | bearish | **22.9** | -3.29 | negative | deteriorating |
| -1% | Retail (XRT) | -2% | 33% | bearish | **27.3** | -2.51 | negative | deteriorating |
| **-1%** | **CASH** | **-1%** | **26%** | **bearish** | **29.2** | **-0.12** | **negative** | **deteriorating** |
| -8% | US Medical Devices (IHI) | -10% | 0% | very bearish | 30.4 | -2.44 | negative | deteriorating |
| -10% | Capital Markets (KCE) | -11% | 17% | very bearish | 36.1 | -2.67 | negative | deteriorating |
| -13% | DJ Internet Index (FDN) | -12% | 1% | very bearish | 39.5 | -1.33 | negative | improving |
| -14% | Bitcoin (BLOK) | -9% | 8% | very bearish | 40.8 | -2.28 | negative | improving |
| -24% | Software (XSW) | -20% | 0% | very bearish | 37.6 | -2.91 | negative | improving |

## *US Sector Top Performers: YTD (3/20/26)*

| YTD | Description | THIS wk | LAST wk | 2 wks | 13wk | 26wk | 39wk | 52wk | 3Y |
|---|---|---|---|---|---|---|---|---|---|
| **40.3%** | **Oil/Gas Expl & Prod (XOP)** | **5.5%** | **2.3%** | **0.08** | **31.9%** | **36.7%** | **36.0%** | **36.2%** | **26.0%** |
| 33.0% | US Oil Equip & Serv (IEZ) | 4.4% | -2.0% | **0.02** | 26.3% | 45.2% | 55.0% | 45.1% | 27.1% |
| 8.0% | US Aerospace & Def (PPA) | -2.3% | -4.2% | -0.06 | 11.0% | 13.4% | 24.3% | 42.5% | 74.2% |
| 6.8% | Semiconductors (SMH) | -0.7% | 1.8% | 0.01 | 3.1% | 27.1% | 50.4% | 70.0% | 77.0% |
| 5.4% | Food & Beverage (PBJ) | -3.5% | 0.2% | -0.03 | 5.8% | 0.5% | 2.1% | 6.0% | 2.7% |
| 4.6% | Consumer Staples (XLP) | -4.1% | -1.2% | -0.05 | 4.8% | 2.4% | 2.6% | 4.7% | 13.7% |
| 4.6% | Utilities (XLU) | -4.9% | 0.5% | -0.04 | 5.3% | 6.5% | 12.1% | 16.4% | 50.0% |
| 4.2% | Industrials (XLI) | -1.8% | -3.1% | -0.05 | 3.9% | 6.6% | 14.6% | 22.7% | 36.5% |
| 3.6% | Select Materials (XLB) | -4.5% | -1.3% | -0.06 | 6.8% | 2.5% | 9.2% | 9.9% | 7.5% |
| 0.3% | REITs (VNQ) | -3.7% | -1.5% | -0.05 | -0.5% | -3.9% | 0.7% | 0.1% | 11.3% |

## *INTERNATIONAL MARKETS:*
## #1 GOLD Fed's Latest Victim


**Gold Bullion:** GLD corrected 10.3% this week, after losing 2.7% last week. It remains bullish and ranked 1 globally intermediate term, but it triggered a stop-loss into cash 3/18. The index is up 4.4% for the quarter (13 weeks), and up 48.4% for the year (52 weeks). At $413.38, GLD is below its short-term (50-day) average and above its intermediate-term (200-day) average. Its momentum (PMO) is positive and deteriorating, and its 14-day RSI of 29.8 means GLD is oversold. As for currency effects, a cheaper Dollar this week makes foreign assets, commodities and gold more attractive. Over time, a bullish Dollar limits return to Dollar investors in foreign equities, commodities and gold, but improves the region's trade competitiveness.

Gold gapped below its 50-day, putting in a double bottom breakdown as Fed Chairman Powell spoke at the FOMC meeting on Wednesday 3/18. It was enough to kick the global index model out of gold and into cash. Basically, Powell expressed uncertainty about a 2026 rate cut, which if you've been following this site's reporting should not have been surprising. Our Fed Check has been trending hawkish as have CME futures. Gold bugs have been banking on another Fed rate cut since October 2025, but the expected date has been pushed back from March to July to December. This week there is an 80% chance of no change in December, before or after. This comes a week after gold mining shares (GDX) got crushed by the war, down over 20%. Geopolitical uncertainty has been a major contributor to gold's central bank demand. The US has a large persistent US deficit, a war with Iran, not to mention ongoing issues in Venezuela, Ukraine, and the Black Sea. Traditional threats (global recession or a severe equity market panic) evidenced by equity margin calls are not in evidence.

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## *INTERNATIONAL MARKETS:*
## COMMODITIES and OIL Overbought


**Commodities**: A very bullish CRB rose 2.2% this week after gaining 2.6% last week. That left commodity prices up 25.1% for the quarter (13 weeks), and up 30.3% for the year (52 weeks). At $28.94 the CRB is above its short-term (50-day) average and above its intermediate-term (200-day) average at 122. Its momentum (PMO) is positive and improving, and its 14-day RSI of 72.6 means the CRB is overbought.

**Crude Oil:** Meanwhile, oil prices (USO) rose 5.6% this week, following last week's gain of 8.7%. Crude is currently very bullish. That leaves US oil prices up 72.1% for the quarter (13 weeks), and up 67.7% for the year (52 weeks). At $121.43, USO is above its short-term (50-day) average, above its intermediate-term (200-day) and overbought. A cheaper Dollar this week makes foreign assets, commodities and gold more attractive. Over time, a bullish Dollar limits return to Dollar investors in foreign equities, commodities and gold, but improves the region's trade competitiveness.

Oil prices stabilized just below $100 this week as the Iran conflict enters week four. Oil is unlikely to normalize until the straits of Hormuz are re-opened to tanker traffic. While Iran's traditional military is largely destroyed, its asymmetric capabilities are still to be reckoned with. Missiles, along with drone aircraft and surface craft remain a concern in the strait. Since March 1 Iran has declared de facto selective closure, allowing only vessels from non-Western countries (China, India, Pakistan, Turkey) with IRGC pre-approval. Western and allied vessels are effectively blocked. Traffic down 95% from normal. While the US takeover of Venezuela's oil resources will likely increase oil supply and lower prices later in 2026, as "drill, baby, drill" does the same in the US, the prospect for continued violence in Iran and Ukraine will interrupt that progress. Meanwhile, the commodity and bond markets are still telling us that inflation should be more of a concern than joblessness.

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## *INTERNATIONAL EQUITIES:*
## #6 EUROPE Oversold Breaks Down


**European Large-Cap Stocks:** IEV fell 3.2% this week, after losing 2.3% last week. That left it neutral and ranked 6 globally and more attractive than cash. The index is down 2.8% for the quarter (13 weeks), but up 14.4% for the year (52 weeks). At $65.20, IEV is below its short-term (50-day) average and above its intermediate-term (200-day) average. Its momentum (PMO) is negative and deteriorating, and its 14-day RSI of 27.0 means IEV is oversold. As for currency effects, a cheaper Dollar this week makes foreign assets, commodities and gold more attractive. Over time, a bullish Dollar limits return to Dollar investors in foreign equities, commodities and gold, but improves the region's trade competitiveness.

The US-Iran war and its subsequent impact on energy prices has had enormous financial consequences for Europe. About 20% of the world's oil comes through the Strait of Hormuz and much of that goes to Europe. Putin added to the panic by threatening to cut off Russian nat gas exports to Europe. The speed with which the straits are reopened will determine whether IEV recovers after a correction or suffers an intermediate-term bear market. NOTE: A neutral to slightly bearish Euro vs. Dollar keeps IEV slightly outperforming the hedged version (HEDJ) of European equities. IEV (-1) is currently stronger than the US (VTI -3). Across the pond, Spain (EWP +6), Britain (EWU +5), and Netherlands (EWN +1) are doing best. Switzerland (EWL +0), Italy (EWI -2) and Ireland (EIRL -2) are holding trend while France (EWQ -6), Germany (EWG -10) and Denmark (EDEN -13) are struggling.

**ETF Breakdown: IEV--** A cap-weighted index fund. **Countries:** UK (24%), France (18%), Switzerland (16%), Germany (13%), Netherlands (7%), Denmark (7%), Energy Minerals (6%), Utilities (4%), Consumer durables (4%), Technology Services (5%), Process industries (3%).

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## *INTERNATIONAL EQUITIES:*
## #3 JAPAN Sinks Lower

**Japanese Stocks**: EWJ fell 2.6% this week, after losing 1.7% last week. That left it bullish and ranked 3 globally and more attractive than cash. The index is up 3.1% for the quarter (13 weeks), and up 25.6% for the year (52 weeks). At $81.20, EWJ is below its short-term (50-day) average and above its intermediate-term (200-day) average. Its momentum (PMO) is negative and deteriorating, and its 14-day RSI of 32.0 means EWJ is neither overbought nor oversold. As for currency effects, a cheaper Dollar this week makes foreign assets, commodities and gold more attractive. Over time, a bullish Dollar limits return to Dollar investors in foreign equities, commodities and gold, but improves the region's trade competitiveness.

The US-Iran war and its subsequent impact on energy prices have enormous financial consequences for Japan. About 20% of the world's oil comes through the Strait of Hormuz and much of that goes to Japan. The speed with which the straits are reopened will determine whether EWJ recovers after a correction or suffers an intermediate-term bear market. Meanwhile, elections recently produced a strong coalition promising a program of expansionary economic policies for Japan. Yen weakness is boosting exporters and raising the yen value of overseas earnings for Japan's large export-heavy companies. Worries about the Japanese bond market at least appears to be on the back burner. NOTE: For Dollar investors, Japan's return to its traditional weak yen policy makes the hedged version (DXJ) of Japanese equities preferable to the dollar version we track (EWJ). Also, expect recent upside gaps to be filled.

**ETF Breakdown: EWJ--** A cap-weighted index fund. **Countries:** Japan (100%) **Top Sectors:** Finance (15%), Consumer durables (14%), Producer manufacturing (14%), Electronic Technology (12%), Health Technology (9%), Process industries (5%), Technology Services (5%), Consumer non-durables (5%), Communications (5%), Distribution services (4%).

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## *INTERNATIONAL EQUITIES:*
## #4 ASIA-PACIFIC Closes Week At New Stop-Loss


**Asia-Pacific ex-Japan:** AAXJ fell 1.9% this week, after losing 0.5% last week. That left it bullish and ranked 4 globally and more attractive than cash. The index is up 7.1% for the quarter (13 weeks), and up 31.1% for the year (52 weeks). At $95.70, AAXJ is below its short-term (50-day) average and above its intermediate-term (200-day) average. Its momentum (PMO) is negative and deteriorating, and its 14-day RSI of 37.0 means AAXJ is neither overbought nor oversold. As for currency effects, a cheaper Dollar this week makes foreign assets, commodities and gold more attractive. Over time, a bullish Dollar limits return to Dollar investors in foreign equities, commodities and gold, but improves the region's trade competitiveness.

The US-Iran war's pressure on energy prices has had a significant financial impact on Asia-Pacific. AAXJ gapped down correcting 10% in the first week of hostilities particularly China. China has been reliant on discounted Iranian oil since the US sanctioned the mullahs. Now much of that "shadow fleet" oil is not getting out through the straits. Meanwhile, although foreign stocks have outperformed their US cousins since the advent of tariffs, they have drastically underperformed since the beginning of the war. A stronger Dollar has contributed. Certain Asian exporters (particularly China and India) have bigger problems than others. Even so Asian equity markets (AAXJ +4) remain comparably attractive to US stocks (VTI -3). South Korea (EWY +56) is a standout. Taiwan (EWT +9) and Hong Kong (EWH +5) and Australia (EWA +1) are doing passably. Singapore (EWS -4), India (IMVP -11), and China (FXI -15), lag the US. and are struggling due to energy and US tariff issues.

**ETF Breakdown: AAXJ--** A cap-weighted index fund. **Countries:** Hong Kong (36%), Taiwan (17%), India (16%), Korea (14%), Mainland China (4%), Singapore (4%), Thailand (2%), Indonesia (2%), Malaysia (2%), US (1%). **Top Sectors:** Finance (24%), Electronic Technology (20%), Technology Services (10%), Retail (7%), Consumer non-durables (5%), Consumer durables (4%), Producer manufacturing (4%), Transportation (4%), Energy (4%), Health Technology (3%).

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# *INTERNATIONAL EQUITIES:*
# #2 LATIN AMERICA Cascades Lower


**Latin America 40:** ILF fell 1.7% this week, after losing 2.0% last week. That left it bullish and ranked 2 globally and more attractive than cash. The index is up 7.7% for the quarter (13 weeks), and up 45.8% for the year (52 weeks). At $32.59, ILF is below its short-term (50-day) average and above its intermediate-term (200-day) average. Its momentum (PMO) is negative and deteriorating, and its 14-day RSI of 36.9 means ILF is neither overbought nor oversold. As for currency effects, a cheaper Dollar this week makes foreign assets, commodities and gold more attractive. Over time, a bullish Dollar limits return to Dollar investors in foreign equities, commodities and gold, but improves the region's trade competitiveness.

The US-Iran war and its subsequent impact on energy prices had sudden financial consequences for Latin America. ILF triggered additional stop-losses this week but remains bullish. Latin America led the world higher in January but slowed in February and pulled back in March. US tariffs were the reason foreign stocks were outperforming US equities, prior to the US-Iran war. Oil prices and a strengthening Dollar are the reason that has reversed. Latin stocks (ILF +15), which have significantly outperformed their US cousins in Price-Performance vs cash (VTI -3) since the tariff announcement 4/25. Argentina (ARGT +21), Colombia (COLO +18), Brazil (EWZ +16), Chile (ECH +12), and Mexico (EWW +6), are strongest. Canada (EWC +5) which is not in ILF, but a key player in the Americas continues to beat the US thanks to 35% US tariffs on the 60% of its exports not covered by USMCA.

**ETF Breakdown: ILF--** A cap-weighted index fund. **Countries:** Brazil (58%), Mexico (26%), US (8%), Chile (6%), Colombia (2%) **Top Sectors:** Finance (31%), Non-energy minerals (20%), Energy Minerals (14%), Consumer non-durables (10%), Retail (7%), Communications (5%), Technology Services (4%), Utilities (3%), Process Industries (2%), Producer manufacturing (2%).

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# INVESTMENT STRATEGIES:
# PASSIVE DIVERSIFIED: BUY-AND-HOLD

This site compares passive and active investment strategies. The passive strategy is represented by two diversified ETFs, moderate growth (AOM) and aggressive growth (AOA). AOM is comprised of 60% income instruments and 40% equity assets. AOA is 80% equity and 20% income. AOA (mostly stocks) outperforms in bull market scenarios and AOM (mostly bonds) works better when equities are weak.

## Passive Buy-and-Hold Strategies
### TOP Buy and Hold Strategy: Aggressive Growth (AOA)

Among Buy & Hold strategies, Aggressive growth is currently the more profitable choice over the past 52, 39, 26, and 13 weeks—not to mention the last three years. It has a slightly higher PMO than moderate B&H but not by much. Technical readings are comparable with the prices of both currently above their respective 50-day and 200-day averages.

| CI% | Description | ROC | TS | READ | RSI | PMO | +/- | Condition |
|---|---|---|---|---|---|---|---|---|
| **46%** | **(AOA) Aggressive Growth** | **6%** | 44% | very bullish | 29.4 | -0.78 | negative | deteriorating |
| 33% | (AOM) Moderate Growth & Inc | 4% | 48% | very bullish | 28.5 | -0.46 | negative | deteriorating |

| YTD | Description | this wk | last wk | 13wk | 26wk | 39wk | 52wk | 3Y |
|---|---|---|---|---|---|---|---|---|
| -2.7% | (AOA) Aggressive Growth | 0.1% | -1.5% | -2.5% | 1.1% | 9.8% | 15.0% | 26.4% |
| **-1.8%** | **(AOM) Moderate Growth & Inc** | -1.9% | -1.2% | -0.9% | 1.1% | 7.4% | 10.3% | 19.1% |

| PR/HI | Description | SL | PRICE | BS | 52w HI | 52w LO | 50d avg | 210d avg |
|---|---|---|---|---|---|---|---|---|
| 92.7% | (AOA) Aggressive Growth | 86.80 | 87.13 | 93.99 | 93.99 | 68.45 | 91.61 | 86.63 |
| **95.2%** | **(AOM) Moderate Growth & Inc** | 46.79 | 46.87 | 49.25 | 49.25 | 41.20 | 48.40 | 46.42 |

### *Market Timing v. Diversified Buy & Hold: Performance**

| Strategy | 2026 | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Index Moose** | **12.2%** | 58.7% | 5.5% | 3.6% | -16.3% | 11.7% | 13.2% | -6.5% | 5.1% | 9.0% |
| Aggressive G&I (AOA) | -2.7% | 19.3% | 11.5% | 15.6% | -17.9% | 13.5% | 10.7% | 12.5% | -6.2% | 8.0% |
| Moderate G&I (AOM) | -1.8% | 11.0% | 4.9% | 9.2% | -16.4% | 5.3% | 7.7% | 19.5% | -9.9% | 14.1% |
| **Strategy** | **2026** | **2025** | **2024** | **2023** | **2022** | **2021** | **2020** | **2019** | **2018** | **2017** |
| **US Strategy Moose** | **-2.2%** | 16.7% | 26.1% | 12.3% | -7.0% | 22.2% | 20.9% | 23.6% | 1.2% | 28.5% |
| S&P Benchmark | -5.5% | 14.5% | 24.5% | 24.3% | -19.5% | | | | | |

**The Index Model** crushed all competitors in 2025 and is doing it again in 2026. It has outperformed in three of the last ten years. **US Strategy Moose** has outperformed in six of the last 10 years. **In total**, one of our two timing models has outperformed buy-and-hold in nine of the last ten years. **For buy and hold investors:** Aggressive (AOA) is outperforming more moderate (AOM) diversifications.

This performance data does not reflect total return. Dividends and interest are not included, and the numbers may understate true model, ETF, and benchmark performance by 2-3%. The table above covers the last decade, the period since the models went from weekly to daily and since stop-losses were incorporated. It illustrates several points: (1) Success of any one strategy can be highly variable year-to-year. Just because it worked last year doesn't mean it will next year. (2) Buy-and-hold is preferable in years with few lasting or deep corrections, i.e., trendless volatility. (3) When stocks are trending strong, in either direction, timing is safer. (4) Market timing is most profitable when there is one predominant asset choice, or in extended bear market scenarios. When stocks turn bearish buy-and-hold can be a huge loser. (5) To avoid substantial losses, buy-and-hold investors should have a separate exit plan, whereas such plans are implicit in index targeting (a loss-minimization strategy).

# *INVESTMENT STRATEGIES:*
# *THE US EQUITY STRATEGY TIMING MODEL*

## ***USE Strategy: HOLD CASH***

The USES Model is an equity only construct for determining the optimum equity strategy for the US large cap stock portion of one's portfolio. It monitors and ranks US equity strategies (as represented by the most popular smart-beta ETFs based on volume and capitalization) using our momentum methodology. The 7 US equity strategies include US momentum, US growth, US value, US low volatility, US high dividend, US fundamentals, and US equal weight.

**THIS WEEK a 3rd Risk-OFF week in a row saw US Stocks DOWN, Foreign Stocks DOWN, US Bonds DOWN and Gold DOWN.**

US Equity Strategy (USES) Model switched from SPYD to Cash as of 3/9/2026 after SPY and SPYD triggered stop-losses as of Friday 3/6/26.

SPYD leads in overall confidence, rate of change, technical strength, and positive PMO. **Performance-wise, SPYD leads year-to-date and over 13, 26, and 39 weeks.**

**Best Alternatives:** Cash. US Stocks are bullish entering 2026, but US large caps, especially in the Mag 7 growth category are hung-over from year-end valuation constraints. Adding small caps and International shares are showing strength against US equities.

| | CI% | Description | ROC | TS | READ | RSI | PMO | +/- | Condition |
|---|---|---|---|---|---|---|---|---|---|
| **1** | **85%** | **US High Dividend (SPYD)** | **12%** | **81%** | **very bullish** | **28** | **0.15** | **positive** | deteriorating |
| 2 | 52% | US Value (IUSV) | 7% | 45% | neutral | 25 | -0.82 | negative | deteriorating |
| 3 | 41% | US Fundamentals (QUAL) | 4% | 42% | neutral | 30 | -0.91 | negative | deteriorating |
| 4 | 39% | S&P Equal Weight (RSP) | 5% | 54% | neutral | 30 | -0.68 | negative | deteriorating |
| 5 | 35% | US Large-caps (SPY) | 4% | 35% | bearish | 30 | -0.97 | negative | deteriorating |
| 6 | 23% | US Growth (IUSG) | 2% | 28% | bearish | 33 | -1.13 | negative | deteriorating |
| 7 | 13% | US Low Volatility (SPLV) | 0% | 75% | bullish | 27 | 0.11 | positive | deteriorating |
| 8 | 13% | Cash (SGOV) | 2% | 88% | very bullish | 89 | 0.10 | positive | improving |
| 9 | 12% | US Momentum (MTUM) | 0% | 40% | neutral | 40 | -0.83 | negative | deteriorating |
| 10 | -6% | Short Income (SHY) | -2% | 25% | bearish | 29 | -0.12 | negative | deteriorating |

**NOTE:** All of the strategies in this model are derivative of and highly correlated to the S&P. When SPY's TS and/or CI is bearish, when it hits a stop-loss, is overbought, or gives some other sell signal, adopting any sub-strategy that is highly correlated to it is not recommended. To initiate a switch both SPY and the strategy ETF must have TS>0 and CI>0 or better, not be overbought, and be working off a buy-stop.

| | YTD | Description | This Wk | Last Wk | 13wk | 26wk | 39wk | 52wk | 3Y |
|---|---|---|---|---|---|---|---|---|---|
| **1** | **3%** | **US High Dividend (SPYD)** | -2.4% | -2.7% | **9.1%** | **7.2%** | **15.1%** | **12.1%** | **32.2%** |
| 2 | 1% | US Low Volatility (SPLV) | -3.3% | -1.7% | 3.0% | -0.4% | 0.2% | -0.8% | 12.8% |
| 3 | 0% | Cash (SGOV) | **0.1%** | **0.1%** | 0.7% | 1.7% | 2.8% | 3.8% | 9.1% |
| 4 | -1% | S&P Equal Weight (RSP) | -1.6% | -2.3% | -0.8% | 1.2% | 9.1% | 10.8% | 19.9% |
| 5 | -1% | Short Income (SHY) | -0.3% | -0.2% | -0.7% | -0.4% | 1.2% | 2.0% | 7.4% |
| 6 | -2% | US Value (IUSV) | -1.9% | -2.1% | -1.6% | 2.9% | 11.0% | 11.3% | 19.7% |
| 7 | -3% | US Fundamentals (QUAL) | -1.7% | -1.8% | -3.1% | 1.1% | 8.9% | 12.5% | 20.7% |
| 8 | -4% | US Momentum (MTUM) | -0.8% | 0.8% | -5.1% | -4.2% | 6.0% | 19.6% | 33.4% |
| 9 | -5% | US Large-caps (SPY) | -2.1% | -1.5% | -5.1% | -0.5% | 10.0% | 16.2% | 29.7% |
| 10 | -7% | US Growth (IUSG) | -2.2% | -1.0% | -7.6% | -3.2% | 9.4% | 21.0% | 36.8% |

*INVESTMENT STRATEGIES:*
*THE GLOBAL INDEX TIMING MODEL*

***TOP Index Model Move: SWITCH TO CASH***

**This week: The Global Index Model SWITCHES to CASH (3/18/2026.)**

**Gold leads in overall confidence, technical strength, and in improving PMO. Performance-wise, gold leads year-to-date, and over 13, 26, 39 and 52 weeks. It also outperforms over three-years.**

**Best Alternatives: Over the last two weeks, however, cash has become the safer choice until the war is over.** US Stocks were bullish entering 2026 but have been fading since the war with Iran. In fact, US equities, especially in the Mag 7 growth category have been hung-over from year-end valuation constraints. Small caps have shown sporadic strength against SPY, but all equities have lagged gold due to a weaker Dollar from US tariffs. Now that Powell has put the kabash on Fed rate cut optimism in 2026 gold has lost its luster.

The Global Index Model continues to outperform the S&P, all Buy-and-Hold allocations, and the USES and TSP models in a major way. Foreign equity markets (EEM. EFA) have been hard hit by the war. Gold continues to lead the Index Model in CI and PMO, and in 1,2,3, and 4, quarterly performance.

| CI% | FUND | TS+ | READ | RSI | PMO | +/- | condition |
|---|---|---|---|---|---|---|---|
| **100%** | **Gold Bullion (GLD)** | **76%** | **bullish** | **29.8** | **0.50** | **positive** | **deteriorating** |
| 36% | Emerging Markets (EEM) | 64% | bullish | 35.8 | -0.52 | negative | deteriorating |
| 29% | Developed Markets (EFA) | 55% | neutral | 28.8 | -1.02 | negative | deteriorating |
| 27% | US Small-caps (IWM) | 45% | neutral | 33.0 | -1.32 | negative | deteriorating |
| 12% | US Large-caps (SPY) | 35% | bearish | 29.7 | -0.97 | negative | deteriorating |
| 5% | Very Long US Bonds (EDV) | 33% | bearish | 36.6 | -0.39 | negative | deteriorating |
| 4% | Short US Income (SGOV) | 88% | very bullish | 88.5 | 0.10 | positive | improving |

| YTD | FUND | 03/20/26 | 03/13/26 | 13wk | 26wk | 39wk | 52wk | 3Y |
|---|---|---|---|---|---|---|---|---|
| **4.3%** | **Gold Bullion (GLD)** | -10.3% | -2.7% | **4.4%** | **20.4%** | **33.2%** | **48.4%** | **106.3%** |
| 1.7% | Emerging Markets (EEM) | -2.0% | -0.9% | 4.4% | 6.3% | 21.4% | 27.0% | 38.2% |
| 0.2% | Short US Income (SGOV) | **0.1%** | **0.1%** | 0.6% | 1.5% | 2.7% | 3.8% | 9.1% |
| -1.3% | Very Long US Bonds (EDV) | -0.9% | -3.3% | -1.3% | -4.4% | -0.9% | -8.4% | -13.0% |
| -1.6% | US Small-caps (IWM) | -1.8% | -1.7% | -3.5% | 0.6% | 16.0% | 19.7% | 22.4% |
| -2.5% | Developed Markets (EFA) | -2.8% | -2.0% | 0.4% | 5.0% | 12.1% | 18.1% | 30.5% |
| -4.9% | US Large-caps (SPY) | -2.1% | -1.5% | -4.2% | -1.3% | 9.9% | 16.5% | 29.7% |

| Strategy | 2026 | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Index Moose** | **12.2%** | 58.7% | 5.5% | 3.6% | -16.3% | 11.7% | 13.2% | -6.5% | 5.1% | 9.0% |
| Aggressive G&I (AOA) | -2.7% | 19.3% | 11.5% | 15.6% | -17.9% | 13.5% | 10.7% | 12.5% | -6.2% | 8.0% |
| Moderate G&I (AOM) | -1.8% | 11.0% | 4.9% | 9.2% | -16.4% | 5.3% | 7.7% | 19.5% | -9.9% | 14.1% |

# *INVESTMENT STRATEGIES:*
# *THE THRIFT SAVINGS PLAN TIMING MODEL*

## *TSP Momentum & Performance*

The Thrift Savings Plan, or TSP, is the government's 401K-style retirement plan. Beginning 12/21/2018, the revised TSP model began incorporating actual fund data and monitoring ten TSP funds instead of five index fund proxies alone. While having ten asset choices offers myriad possibilities, our primary concern involves the overall strategic decision: Should TSP investors use index targeting (market timing) to manage their portfolio or rely on a diversified buy-and-hold approach. **Answer:** it depends on the investor and on what's working.

### *The TSP Model: HOLD Cash (Fund G)*

**THIS WEEK a 3rd Risk-OFF week in a row saw US Stocks DOWN, Foreign Stocks DOWN, US Bonds DOWN and Gold DOWN.**

**This week: *The TSP Model *holds Cash (Fund G)* via overbought stop-loss since 3/3/26.)**

**International Equities (Fund I) lead in overall confidence, rate of change, technical strength, and in positive PMO but are fading having recently triggered a stop-loss. Performance-wise, Fund G leads over the last two weeks, but Fund S leads over 13, 26, 39 and 52 weeks. It also outperforms over three-years.**

**Best Alternatives: Cash. Aggressive Lifetime outperforms more moderate B&H portfolios, but the TSP model in the I Fund outperforms** all Buy-and-Hold allocations, and the USES model in a major way.

| | CI% | Fund | ROC | TS+ | READ | RSI | PMO | +/- | condition |
|---|---|---|---|---|---|---|---|---|---|
| **1** | **100%** | **International Fund (I)*** | **10%** | **59%** | **neutral** | **29.8** | **-0.70** | **negative** | **deteriorating** |
| 2 | 56% | Lifetime 2060* | 5% | 45% | neutral | 29.6 | -0.89 | negative | deteriorating |
| 3 | 47% | Lifetime 2050* | 4% | 45% | neutral | 29.6 | -0.73 | negative | deteriorating |
| 4 | 42% | Lifetime 2040* | 4% | 45% | neutral | 29.7 | -0.62 | negative | deteriorating |
| 5 | 35% | Lifetime 2030* | 3% | 51% | neutral | 30.0 | -0.46 | negative | deteriorating |
| 6 | 34% | US Large-caps (C)* | 2% | 35% | bearish | 30.2 | -0.96 | negative | deteriorating |
| 7 | **33%** | US Small-caps (S)* | 2% | 35% | bearish | 34.2 | -1.24 | negative | deteriorating |
| 8 | 18% | Long-term Inc (L)* | **2%** | 59% | neutral | 31.4 | -0.14 | negative | deteriorating |
| 9 | 10% | Fixed Income (F)* | 1% | 58% | neutral | 32.0 | -0.11 | negative | deteriorating |
| 10 | 3% | Short-term Inc (G) | 0% | 101% | very bullish | 100.0 | 0.17 | positive | deteriorating |

*All TSP choices have triggered stop-losses except Fund G (cash). Fund S leads over 13, 26, 39 and 52 weeks, YTD, and over 3 years. That said, it is also leading to the downside over the past 2 weeks (-9%) and cash is king. The models are more or less based on six-month momentum, so while Fund S has the most compelling answer to the question "what have you done for me lately?" volatility has triggered a move into Fund G* in March.

### *TSP Lifetime & Index Funds: Performance Progression*

| | Fund | THIS | LAST | 13wk | 26wk | 39wk | 52wk | YTD | 3Y |
|---|---|---|---|---|---|---|---|---|---|
| 1 | Short-term Inc (G) | 0.1% | 0.0% | 1.2% | 2.2% | 3.3% | 4.4% | **0.9%** | 9.1% |
| 2 | US Small-caps (S) | **1.2%** | 0.6% | **2.3%** | **5.9%** | **14.8%** | **23.6%** | 0.0% | **31.7%** |
| 3 | International Fund (I) | 0.3% | -0.2% | 0.2% | 1.9% | 5.6% | 8.3% | -0.2% | 14.8% |
| 4 | Long-term Inc (L) | -0.1% | **0.8%** | -0.4% | -0.1% | 3.6% | 3.9% | -0.6% | 9.6% |
| 5 | Lifetime 2050 | 0.6% | -0.5% | -0.9% | 1.6% | 8.4% | 13.2% | -1.3% | 21.6% |
| 6 | Lifetime 2060 | 0.8% | -0.6% | -1.5% | 1.4% | 9.3% | 14.8% | -1.9% | 23.9% |
| 7 | Lifetime 2040 | 0.9% | -0.7% | -1.8% | 1.3% | 10.1% | 16.2% | -2.2% | 25.9% |
| 8 | Lifetime 2030 | 1.1% | -0.9% | -2.4% | 1.2% | 11.5% | 18.7% | -2.8% | 29.2% |
| 9 | US Large-caps (C) | 0.8% | -1.5% | -4.7% | -2.8% | 9.7% | 15.5% | -3.2% | 22.2% |
| 10 | Fixed Income (F) | 1.1% | -1.8% | -5.0% | -1.0% | 9.7% | 16.2% | -4.7% | 28.9% |

***Stop-loss hit,** no buy-stop since—default to highest ranked alternative. (Published stop-loss price is as of previous Friday close. It may change daily and as such, is published as an initial reference only.) **overbought*

## ***TSP Moose v. TSP Lifetime Funds: Long-Term Performance***

| Strategy | 2026 YTD | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 |
|---|---|---|---|---|---|---|---|---|---|---|
| **TSP Moose** | **3.5%** | 15.3% | 11.8% | 16.5% | -3.4% | 13.3% | 21.8% | 14.9% | 6.5% | 21.0% |
| L2030 | -1.3% | 15.6% | 11.5% | 16.6% | -9.0% | 12.4% | 11.3% | 17.6% | -3.6% | 14.5% |
| L2040 | -1.9% | 17.8% | 12.9% | 18.1% | -11.4% | 14.5% | 13.2% | 20.7% | -4.9% | 16.8% |
| L2050 | -2.2% | 19.7% | 14.0% | 20.0% | -13.4% | 16.3% | 14.8% | 23.3% | -6.0% | 18.8% |
| L2060 | -2.8% | 22.6% | 16.3% | 23.3% | -15.9% | 19.9% | new | -- | -- | -- |

**OBSERVATION:** The most aggressive Lifetime Funds have been the best performers since Covid (2020) thanks to the trillions in Federal deficit spending under Trump and Biden. An added bonus: Lifetime funds are a lot less work than timing the markets. The drawback is that buying and holding a Lifetime fund can be a disaster in a cyclical bear market (2022). The risk-reward is better with timing. Fortunately (or unfortunately as one's politics may dictate) the likelihood of a cyclical bear market occurring diminishes as government becomes an ever-larger portion of the US economy and as Fed market manipulation becomes more prevalent. The likelihood of a permanent bear market, however, becomes greater and when that reckoning does eventually come, however, it will be far worse, shaking our national institutions as well as the economy.

*Moospeak*

# *Markets: March 13-20*

Who needs a war to muck up the investment landscape when you have an "uncertain" Fed? This week Federal Reserve Chair **Jerome Powell** spoke at the post-FOMC press conference following the central bank's decision to keep the benchmark federal funds rate unchanged in the range of 3.5% to 3.75%. The remarks came amid heightened uncertainty from the ongoing US-Iran war which has been driving surging oil and energy prices and complicating the inflation outlook.

Powell's key points included:

- Acknowledging that higher energy prices would push up overall inflation in the near term.
- Noting the implications of Middle East developments for the U.S. economy are "uncertain" — he repeatedly emphasized "we just don't know" the scope, duration, or full effects (e.g., potential upward pressure on inflation but possible downward pressure on growth via reduced consumer spending or wealth effects).
- Stressing the need to keep policy mildly restrictive to support progress toward the 2% inflation goal while monitoring risks to both maximum employment and price stability.
- Indicating progress on inflation was continuing but "not as much as we had hoped," with short-term pressures from energy and tariffs.
- The Fed's updated Summary of Economic Projections (SEP) showed modestly higher inflation forecasts for 2026 (e.g., PCE at 2.7%) but still one projected rate cut by year-end, though Powell cautioned these were conditional and less reliable given the uncertainty.

Projecting a rate cut by year end and later injecting verbal uncertainty into it was interpreted as **hawkish** (leaning toward caution on easing policy), as they reinforced concerns over persistent inflation risks from the energy shock and reduced expectations for near-term rate cuts.

**Market Impacts**

The remarks contributed to notable reactions across major asset classes on March 18, 2026:

- **Equity markets** → Stocks declined sharply. Major indexes closed lower as investors priced in less aggressive Fed easing, higher-for-longer rates, and inflation worries. The Dow Jones Industrial Average fell about 1.6% (around 770 points), the S&P 500 dropped roughly 1.4%, and the Nasdaq Composite fell about 1.5%. Losses deepened during/after Powell's press conference.
- **Bond markets** → Treasury yields rose (bond prices fell), reflecting expectations of sustained restrictive policy and inflation persistence. Higher yields made non-yielding assets less attractive and signaled reduced bets on imminent rate cuts.
- **Gold markets** → Gold prices gapped lower on Powell's remarks. Before Wednesday's session ended, GLD put in a double-bottom breakdown below its 50-day as higher real yields, a stronger dollar, and dashed hopes for easier monetary policy weighed on the non-yielding safe-haven asset. Spot gold traded notably lower (e.g., around $4,890-$4,900 per ounce in futures/spot references), with some reports noting a drop below key levels amid the hawkish tone.

The lesson, and we've seen it before, is that when this chairman says the Fed doesn't know what's going on, it's undoubtedly safer to believe him immediately than not. While cluelessness has not necessarily been a permanent state at the Powell Fed, it does seem to be a predominant one. Powell's emphasis on inflation risks from the oil/energy shock — rather than signaling dovish easing — drove a risk-off tone, pressuring equities and gold while lifting yields. Markets were already edgy from the geopolitical energy disruptions, and his words amplified their concerns.